

APPENDIX IV

Proposition 208

**CALIFORNIA POLITICAL REFORM
ACT OF 1996**

§ 82039. Lobbyist.

"Lobbyist" means any individual who receives two thousand dollars (\$2,000) or more in economic consideration in a calendar month, other than reimbursement for reasonable travel expenses, or whose principal duties as an employee are to communicate directly or through his or her agents with any elective state official, agency official, or legislative official for the purpose of influencing legislative or administrative action. No individual is a lobbyist by reason of activities described in Section 86300.

Regulations: 2 Cal. Code of Regs. Section 18239
2 Cal. Code of Regs. Section 18626

§ 83116. Violation of Title; Probable Cause; Hearing; Notice; Order.

When the Commission determines there is probable cause for believing this title has been violated, it may hold a hearing to determine if such a violation has occurred. Notice shall be given and the hearing conducted in accordance with the Administrative Procedure Act (Government Code, Title 2, Division 3, Part 1, Chapter 5, Sections 11500 et seq.). The Commission shall have all the powers granted by that chapter.

When the Commission determines on the basis of the hearing that a violation has occurred, it shall issue an order which may require the violator to:

- (a) Cease and desist violation of this title;
- (b) File any reports, statements or other documents or information required by this title;
- (c) Pay a monetary penalty of up to five thousand dollars (\$5,000) per violation to the General Fund of the state.

When the Commission determines that no violation has occurred, it shall publish a declaration so stating.

§ 83116.5. Liability for Violations; Administrative.

Any person who violates any provision of this title, who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation of any provision of this title, shall be liable under the provisions of this chapter and Chapter 11 (commencing with Section 91000).

§ 83124. Cost of Living Adjustment.

The Commission shall adjust the contribution limitations and expenditure limitations provisions in Sections 85100 et seq. in January of every even-numbered year to reflect any increase or decrease in the California Consumer Price Index. Such adjustments shall be rounded to the nearest 50 for the limitations on contributions and the nearest 1,000 for the limitations on expenditures.

§ 84201. Contents of Campaign Statements; Reporting Threshold.

The threshold for contributions and expenditures reported in the campaign statements designated in Sections 84203.5, 84211, and 84219, except for subdivision (i) of Section 84219, and for cash contributions and anonymous contributions designated in Sections 84300 and 84304, shall be set at no more than one hundred dollars (\$100) notwithstanding any other provision of law or any legislative amendment to such sections.

§ 84305.5. Slate Mailers, Requirements.

(a) No slate mailer organization or committee primarily formed to support or oppose one or more ballot measures shall send a slate mailer unless:

(1) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures are shown on the outside of each piece of slate mail and on every insert included with each piece of slate mail in no less than 8-point roman type which shall be in a color or print which contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the street address of the slate mailer organization or the committee primarily formed to support or oppose one or more ballot measures is a matter of public record with the Secretary of State's Political Reform Division.

(2) At the top of each side or surface of a slate mailer or at the top of each side or surface of a postcard or other self-mailer, there is a notice in at least 8-point roman boldface type, which shall be in a color or print which contrasts with the background so as to be easily legible, and in a printed or drawn box and set apart from any other printed matter. The notice shall consist of the following statement:

NOTICE TO VOTERS

THIS DOCUMENT WAS PREPARED BY (name of slate mailer organization or committee primarily formed to support or oppose one or more ballot measures), NOT AN OFFICIAL POLITICAL PARTY ORGANIZATION. All candidates and ballot measures designated by \$\$\$ have paid for their listing in this mailer. A listing in this mailer does not necessarily imply endorsement of other candidates or measures listed in this mailer.

(3) Any reference to a ballot measure that has paid to be included on the slate mailer shall also comply with the provisions of Section 84503 et seq.

(4) Each candidate and each ballot measure that has paid to appear in the slate mailer is designated by \$\$\$\$. Any candidate or ballot measure that has not paid to appear in the slate mailer is not designated by \$\$\$.

The \$\$\$ required by this subdivision shall be of the same type size, type style, color or contrast, and legibility as is used for the name of the candidate or the ballot measure name or number and position advocated to which the \$\$\$ designation applies except that in no case shall the \$\$\$ be required to be larger than 10-point boldface type. The designation shall immediately follow the name of the candidate, or the name or number and position advocated on the ballot measure where the designation appears in the slate of candidates and measures. If there is no slate listing, the designation shall appear at least once in at least 8-point boldface type, immediately following the name of the candidate, or the name or number and position advocated on the ballot measure.

(5) The name of any candidate appearing in the slate mailer who is a member of a political party differing from the political party which the mailer appears by representation or indicia to represent is accompanied, immediately below the name, by the party designation of the candidate, in no less than 9-point roman type which shall be in a color or print that contrasts with the background so as to be easily legible. The designation shall not be required in the case of candidates for nonpartisan office.

(b) For purposes of the designations required by paragraph (4) of subdivision (a), the payment of any sum made reportable by subdivision (c) of Section 84219 by or at the behest of a candidate or committee, whose name or position appears in the mailer, to the slate mailer organization or committee primarily formed to support or oppose one or more

ballot measures, shall constitute a payment to appear, requiring the \$\$\$ designation. The payment shall also be deemed to constitute authorization to appear in the mailer.

(c) A slate mailer that complies with this section shall be deemed to satisfy the requirements of Sections 20003 and 20004 of the Elections Code.

§ 84501. Advertisement.

(a) "Advertisement" means any general or public advertisement which is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures.

(b) "Advertisement" does not include a communication from an organization other than a political party to its members, a campaign button smaller than 10 inches in diameter, a bumper sticker smaller than 60 square inches, or other advertisement as determined by regulations of the Commission.

§ 84502. Cumulative Contributions.

"Cumulative contributions" means the cumulative contributions to a committee beginning the first day the statement of organization is filed under Section 84101 and ending within seven days of the time the advertisement is sent to the printer or broadcast station.

§ 84503. Disclosure; Advertisement For or Against Ballot Measures.

(a) Any advertisement for or against any ballot measure shall include a disclosure statement identifying any person whose cumulative contributions are fifty thousand dollars (\$50,000) or more.

(b) If there are more than two donors of fifty thousand dollars (\$50,000) or more, the committee is only required to disclose the highest and second highest in that order. In the event that more than two donors meet this disclosure threshold at identical contribution levels, the highest and second highest shall be selected according to chronological sequence.

§ 84504. Identification of Committee.

(a) Any committee that supports or opposes one or more ballot measures shall name and identify itself using a name or phrase that clearly identifies the economic or other special interest of its major donors of fifty thousand dollars (\$50,000) or more in any reference to the committee required by law, including, but not limited, to its statement of organization filed pursuant to Section 84101.

(b) If the major donors of fifty thousand dollars (\$50,000) or more share a common employer, the identity of the employer shall also be disclosed.

(c) Any committee which supports or opposes a ballot measure, shall print or broadcast its name as provided in this section as part of any advertisement or other paid public statement.

(d) If candidates or their controlled committees, as a group or individually, meet the contribution thresholds for a person, they shall be identified by the controlling candidate's name.

§ 84505. Avoidance of Disclosure.

In addition to the requirements of Sections 84503, 84504, and 84506, the committee placing the advertisement or persons acting in concert with that committee shall be prohibited from creating or using a noncandidate controlled committee or a nonsponsored committee to avoid, or that results in the avoidance of, the disclosure of any individual, industry, business entity, controlled committee, or sponsored committee as a major funding source.

§ 84506. Independent Expenditures; Advertisements.

If the expenditure for a broadcast or mass mailing advertisement that expressly advocates the election or defeat of any candidate or any ballot measure is an independent expenditure, the committee, consistent with any disclosures required by Sections 84503 and 84504, shall include on the advertisement the names of the two persons making the largest contributions to the committee making the independent expenditure. If an acronym is used to specify any committee names required by this section, the names of any sponsoring organization of the committee shall be printed on print advertisements or spoken in broadcast advertisements. For the purposes of determining the two contributors to be disclosed, the contributions of each person to the committee making the independent expenditure during the one-year period before the election shall be aggregated.

§ 84507. Printed Statement or Broadcast Communication.

Any disclosure statement required by this article shall be printed clearly and legibly in no less than 10-point type and in a conspicuous manner as defined by the Commission or, if the communication is broadcast, the information shall be spoken so as to be clearly audible and understood by the intended public and otherwise appropriately conveyed for the hearing impaired.

§ 84508. Disclosure of One Funding Source on Any Advertisement.

If disclosure of two major donors is required by Sections 84503 and 84506, the committee shall be required to disclose, in addition to the committee name, only its highest major contributor in any advertisement which is:

(a) An electronic broadcast of 15 seconds or less, or

(b) A newspaper, magazine, or other public print media advertisement which is 20 square inches or less.

§ 84509. Amended Statements.

When a committee files an amended campaign statement pursuant to Section 81004.5, the committee shall change its advertisements to reflect the changed disclosure information.

§ 84510. Remedies for Article Violations; Civil Action; Fines.

(a) In addition to the remedies provided for in Chapter 11 (commencing with Section 91000) of this title, any person who violates this article is liable in a civil or administrative action brought by the Commission or any person for a fine up to three times the cost of the advertisement, including placement costs.

(b) The remedies provided in subdivision (a) shall also apply to any person who purposely causes any other person to violate any provision of this article or who aids and abets any other person in a violation.

(c) If a judgment is entered against the defendant or defendants in an action brought under this section, the plaintiff shall receive 50 percent of the amount recovered. The remaining 50 percent shall be deposited in the General Fund of the state. In an action brought by a local civil prosecutor, 50 percent shall be deposited in the account of the agency bringing the action and 50 percent shall be paid to the General Fund of the state.

§ 85100. Title.

This chapter shall be known as the California Political Reform Act of 1996.

Regulations: 2 Cal. Code of Regs. Section 18530.1

§ 85101. Findings and Declarations.

The people find and declare each of the following:

(a) Monetary contributions to political campaigns are a legitimate form of participation in the American political process, but the financial strength of individuals or organizations should not permit them to exercise a controlling influence on the election of candidates.

(b) The rapidly increasing costs of political campaigns have forced many candidates to raise larger and larger percentages of money from interest groups with a specific financial stake in matters before state and local government.

§ 85102. Purpose of This Law.

The people enact this law to accomplish the following separate but related purposes:

(a) To ensure that individuals and interest groups in our society have a fair and equitable opportunity to participate in the elective and governmental processes.

(b) To minimize the potentially corrupting influence and appearance of corruption caused by excessive contributions and expenditures in campaigns by providing for reasonable contribution and spending limits for candidates.

(c) To reduce the influence of large contributors with a specific financial stake in matters before government by severing the link between lobbying and campaign fundraising.

(d) To lessen the potentially corrupting pressures on candidates and officeholders for fundraising by establishing sensible time periods for soliciting and accepting campaign contributions.

(e) To limit overall expenditures in campaigns, thereby allowing candidates and officeholders to spend a lesser proportion of their time on fundraising and a greater proportion of their time communicating issues of importance to voters and constituents.

(f) To provide impartial and noncoercive incentives that encourage candidates to voluntarily limit campaign expenditures.

(g) To meet the citizens' right to know the sources of campaign contributions, expenditures, and political advertising.

(h) To enact tough penalties which will deter persons from violating this chapter and the Political Reform Act of 1974.

§ 85202. Applicability of the Political Reform Act.

Unless specifically superseded by this act, the definitions and provisions of this title shall govern the interpretation of this law.

§ 85203. Small Contributor Committee.

"Small contributor committee" means any committee which meets all of the following criteria:

(a) It has a membership of at least 100 individuals.

(b) All the contributions it receives from any person in a calendar year total fifty dollars (\$50) or less.

(c) It has been in existence at least six months.

(d) It is not a candidate-controlled committee.

§ 85204. Two-Year Period.

"Two-year period" means the period commencing with January 1 of an odd-numbered year and ending with December 31 of the next even-numbered year.

§ 85205. Political Party Committee.

"Political party committee" means the state central committee or county central committee of an organization that meets the requirements for recognition as a political party pursuant to Section 5100 of the Elections Code.

§ 85206. Public Moneys.

"Public moneys" has the same meaning as defined in Section 426 of the Penal Code.

§ 85301. Limitations on Contributions from Persons.

(a) Except as provided in subdivision (a) of Section 85402 and Section 85706, no person, other than small contributor committees and political party committees, shall make to any candidate or the candidate's controlled committee for local office in districts with fewer than 100,000 residents, and no such candidate or the candidate's controlled committee shall accept from any person a contribution or contributions totaling more than one hundred dollars (\$100) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(b) Except as provided in subdivision (b) of Section 85402 and Section 85706, no person, other than small contributor committees and political party committees, shall make to any candidate or the candidate's controlled committee campaigning for office in districts of 100,000 or more residents, and no such candidate or the candidate's controlled committee shall accept from any such person a contribution or contributions totaling more than two hundred fifty dollars (\$250) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(c) Except as provided in subdivision (c) of Section 85402, no person, other than small contributor committees and political party committees, shall make to any candidate or the candidate's controlled committee for statewide office, and no such candidate or the candidate's controlled committee shall accept from any such person a contribution or contributions totaling more than five hundred dollars (\$500) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(d) No person shall make to any committee that contributes to any candidate and no such committee shall accept from each such person a contribution or contributions totaling more than five hundred dollars (\$500) per calendar year. This subdivision shall not apply to candidate-controlled committees, political party committees, and independent expenditure committees.

(e) The provisions of this section shall not apply to a candidate's contribution of his or her personal funds to his or her own campaign committee, but shall apply to contributions from a spouse.

§ 85302. Limitations on Contributions from Small Contributor Committees.

No small contributor committee shall make to any candidate or the controlled committee of such a candidate, and no such candidate or the candidate's controlled committee shall accept from a small contributor committee, a contribution or contributions totaling more than two times the applicable contribution limit for persons prescribed in Section 85301 or 85402, whichever is applicable.

§ 85303. Limitations on Contributions to Political Parties.

No person shall give in the aggregate to political party committees of the same political party, and no such party committees combined shall accept from any person, a contribution or contributions totaling more than five thousand dollars (\$5,000) per calendar year; except a candidate may distribute any surplus, residual, or unexpended campaign funds to a political party committee.

§ 85304. Limitations on Contributions from Political Parties.

No more than 25 percent of the recommended expenditure limits specified in this act at the time of adoption by the voters, subject to cost of living adjustments as specified in Section 83124, shall be accepted in cumulative contributions for any election

from all political party committees by any candidate or the controlled committee of such a candidate. Any expenditures made by a political party committee in support of a candidate shall be considered contributions to the candidate.

§ 85305. Restrictions on When Contributions Can Be Received.

(a) In districts of fewer than 1,000,000 residents, no candidate or the candidate's controlled committee shall accept contributions more than six months before any primary or special primary election or, in the event there is no primary or special primary election, any regular election or special election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(b) In districts of 1,000,000 residents or more and for statewide elective office, no candidate or the candidate's controlled committee shall accept contributions more than 12 months before any primary or special primary election or, in the event there is no primary or special primary election, any regular election or special election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(c) No candidate or the controlled committee of such candidate shall accept contributions more than 90 days after the date of withdrawal, defeat, or election to office. Contributions accepted immediately following such an election or withdrawal and up to 90 days after that date shall be used only to pay outstanding bills or debts owed by the candidate or controlled committee. This section shall not apply to retiring debts incurred with respect to any election held prior to the effective date of this act, provided such funds are collected pursuant to the contribution limits specified in Article 3 (commencing with Section 85300) of this act, applied separately for each prior election for which debts are being retired, and such funds raised shall not count against the contribution limitations applicable for any election following the effective date of this act.

(d) Notwithstanding subdivision (c), funds may be collected at any time to pay for attorney's fees for litigation or administrative action which arises directly out of a candidate's or elected officer's alleged violation of state or local campaign, disclosure, or election laws or for a fine or assessment imposed by any governmental agency for violations of this act or this title, or for a recount or contest of the validity of an election, or for any expense directly associated with an external audit or unresolved tax liability of the campaign by the candidate or the

candidate's controlled committee; provided such funds are collected pursuant to the contribution limits of this act.

(e) Contributions pursuant to subdivisions (c) and (d) of this provision shall be considered contributions raised for the election in which the debts, fines, assessments, recounts, contests, audits, or tax liabilities were incurred and shall be subject to the contribution limits of that election.

§ 85306. Transfers.

No candidate and no committee controlled by a candidate or officeholder, other than a political party committee, shall make any contribution to any other candidate running for office or his or her controlled committee. This section shall not prohibit a candidate from making a contribution from his or her own personal funds to his or her own candidacy or to the candidacy of any other candidate for elective office.

§ 85307. Loans.

(a) A loan shall be considered a contribution from the maker and the guarantor of the loan and shall be subject to all contribution limitations.

(b) Extensions of credit for a period of more than 30 days, other than loans from financial institutions given in the normal course of business, are subject to all contribution limitations.

(c) No candidate shall personally make outstanding loans to his or her campaign or campaign committee that total at any one point in time more than twenty thousand dollars (\$20,000) in the case of any candidate, except for candidates for governor, or fifty thousand dollars (\$50,000) in the case of candidates for governor. Nothing in this chapter shall prohibit a candidate from making unlimited contributions to his or her own campaign.

§ 85308. Family Contributions.

(a) Contributions by a husband and wife shall not be aggregated.

(b) Contributions by children under 18 shall be treated as contributions attributed equally to each parent or guardian.

§ 85309. Aggregate Contributions from Non-individuals.

No more than 25 percent of the recommended voluntary expenditure limits specified in this act at the time of adoption by the voters, subject to cost of living adjustments as specified in Section 83124, for any election shall be accepted in contributions from other than individuals, small contributor committees,

and political party committees in the aggregate by any candidate or the controlled committee of such a candidate. The limitation in this section shall apply whether or not the candidate agrees to the expenditure ceilings specified in Section 85400.

§ 85310. Aggregate Contributions to All State Candidates.

No person shall contribute in the aggregate more than twenty-five thousand dollars (\$25,000) to all state candidates and the state candidates' controlled committees and political party committees in any two-year period. Contributions from political parties shall be exempt from this provision.

§ 85311. Aggregation of Financial Activity.

All payments made by a person established, financed, maintained, or controlled by any business entity, labor organization, association, political party, or any other person or group of such persons shall be considered to be made by a single person.

Regulations: 2 Cal. Code of Regs. Section 18531.1

§ 85312. Communications Within an Organization.

The costs of internal communications to members, employees, or shareholders of an organization, other than a political party, for the purpose of supporting or opposing a candidate or candidates for elective office or a ballot measure or measures shall not be considered a contribution or independent expenditure under the provisions of this act, provided such payments are not for the costs of campaign materials or activities used in connection with broadcasting, newspaper, billboard, or similar type of general public communication.

Regulations: 2 Cal. Code of Regs. Section 18215

§ 85313. Officeholder Account.

(a) Each elected officer may be permitted to establish one segregated officeholder expense fund for expenses related to assisting, serving, or communicating with constituents, or with carrying out the official duties of the elected officer, provided aggregate contributions to such a fund do not exceed ten thousand dollars (\$10,000) within any calendar year and that the expenditures are not made in connection with any campaign for elective office or ballot measure.

(b) No person shall make, and no elected officer or officeholder account shall solicit or accept from any person, a contribution or contributions to

the officeholder account totaling more than two hundred fifty dollars (\$250) during any calendar year. Contributions to an officeholder account shall not be considered campaign contributions.

(c) No elected officeholder or officeholder account shall solicit or accept a contribution to the officeholder account from, through, or arranged by a registered state or local lobbyist or a state or local lobbyist employer if that lobbyist or lobbyist employer finances, engages, or is authorized to engage in lobbying the governmental agency of the officeholder.

(d) All expenditures from, and contributions to, an officeholder account are subject to the campaign disclosure and reporting requirements of this title.

(e) Any funds in an officeholder account remaining after leaving office shall be turned over to the General Fund.

Regulations: 2 Cal. Code of Regs. Section 18531.3
2 Cal. Code of Regs. Section 18531.4
2 Cal. Code of Regs. Section 18626

§ 85400. Voluntary Expenditure Ceilings.

(a) No candidate for legislative office, Board of Equalization, or statewide office who voluntarily accepts expenditure ceilings and any controlled committee of such a candidate shall make campaign expenditures above the following amount:

(1) For an Assembly candidate, one hundred thousand dollars (\$100,000) in the primary or special primary election and two hundred thousand dollars (\$200,000) in the general, special, or special runoff election.

(2) For a Senate candidate and candidate for Board of Equalization, two hundred thousand dollars (\$200,000) in the primary or special primary election and four hundred thousand dollars (\$400,000) in the general, special, or special runoff election.

(3) For statewide candidates, other than governor, one million dollars (\$1,000,000) in the primary election and two million dollars (\$2,000,000) in the general, special, or special runoff election.

(4) For governor, four million dollars (\$4,000,000) in the primary election and eight million dollars (\$8,000,000) in the general, special, or special runoff election.

(b) In the event that the state adopts an open primary system, the voluntary expenditure ceilings for all state candidates in the primary election shall be increased by 50 percent.

(c) Any local jurisdiction, municipality, or county may establish voluntary expenditure ceilings for candidates and controlled committees of such

candidates for elective office not to exceed one dollar (\$1) per resident for each election in the district in which the candidate is seeking elective office. Voluntary expenditure ceilings may be set at lower levels by the local governing body.

Regulations: 2 Cal. Code of Regs. Section 18541

§ 85401. Candidate Acceptance or Rejection of Expenditure Ceilings.

(a) Each candidate for office shall file a statement of acceptance or rejection of the voluntary expenditure ceilings in Section 85400 before accepting any contributions. If he or she agrees to accept the expenditure ceilings, the candidate shall not be subject to the contribution limitations in Section 85301, but shall be subject to the contribution limitations in Section 85402.

(b) If a candidate declines to accept the voluntary expenditure ceilings in Section 85400, the candidate shall be subject to the contribution limitations in Section 85301.

(c) Any candidate who declined to accept the voluntary expenditure ceilings but who nevertheless did not exceed the recommended spending limits in the primary, special primary, or special election, may file a statement of acceptance of the spending limits for a general or special runoff election within 14 days following the primary, special primary, or special election and receive all the benefits accompanying such an agreement specified in this act.

Regulations: 2 Cal. Code of Regs. Section 18541

§ 85402. Contribution Limitations for Candidates Accepting Expenditure Ceilings.

(a) Notwithstanding subdivision (a) of Section 85301, if a candidate accepts the expenditure ceilings set by local ordinance pursuant to subdivision (c) of Section 85400, no person, other than small contributor committees and political party committees, shall make to any such candidate or the candidate's controlled committee for elective office in districts of fewer than 100,000 residents and no such candidate or the candidate's controlled committee shall accept from any such person a contribution or contributions totaling more than two hundred fifty dollars (\$250) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(b) Notwithstanding subdivision (b) of Section 85301, if a candidate accepts the expenditure ceilings in paragraph (1) or (2) of subdivision (a) of Section 85400 or set by local ordinance pursuant to

subdivision (c) of Section 85400, no person, other than small contributor committees and political party committees, shall make to any such candidate or the candidate's controlled committee for elective office in districts of 100,000 residents or more and no such candidate or the candidate's controlled committee shall accept from any such person a contribution or contributions totaling more than five hundred dollars (\$500) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

(c) Notwithstanding subdivision (c) of Section 85301, if a candidate accepts the expenditure ceilings in paragraph (3) or (4) of subdivision (a) of Section 85400, no person, other than small contributor committees and political party committees, shall make to any such candidate or the candidate's controlled committee for statewide office and no such candidate or the candidate's controlled committee shall accept from any such person a contribution or contributions totaling more than one thousand dollars (\$1,000) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate.

Regulations: 2 Cal. Code of Regs. Section 18502.1
2 Cal. Code of Regs. Section 18541

§ 85403. Time Periods for Expenditures.

For purposes of the expenditure ceilings, qualified campaign expenditures made at any time up to the date of the primary, special primary, or special election shall be considered expenditures for that election, and qualified campaign expenditures made after the date of such election shall be considered expenditures for the general or runoff election. However, in the event that payments are made but the goods or services are not used during the period purchased, the payments shall be considered qualified campaign expenditures for the time period in which the goods or services are used. Payments for goods and services used in both periods shall be prorated.

Regulations: 2 Cal. Code of Regs. Section 18541

§ 85404. Expenditure Ceilings Lifted.

(a) If a candidate declines to accept voluntary expenditure ceilings and receives contributions, has cash on hand, or makes qualified expenditures equal to 75 percent or more of the recommended expenditure ceiling for that office, the voluntary expenditure ceiling shall be three times the limit specified in Section 85400 for any candidate running for the same non-statewide office, and two times the limit specified in Section 85400 for any candidate

running for the same statewide office. Any candidate running for that office who originally accepted voluntary expenditure ceilings shall be exempt from the limits that political party committees may contribute to a candidate in Section 85304, and such candidates shall be permitted to continue receiving contributions at the amounts set forth in Section 85402.

(b) If an independent expenditure committee or committees in the aggregate spend in support or opposition to a candidate for non-statewide office more than 50 percent of the applicable voluntary expenditure ceiling, the voluntary expenditure ceiling shall be three times the limit specified in Section 85400 for any candidate running for the same elective office. Any candidate running for that office who originally accepted voluntary expenditure ceilings shall be exempt from the limits that political party committees may contribute to a candidate in Section 85304, and such candidates shall be permitted to continue receiving contributions at the amounts set forth in subdivision (a) or (b) of Section 85402.

(c) If an independent expenditure committee or committees in the aggregate spend in support or opposition to a candidate for statewide office more than 25 percent of the applicable voluntary expenditure ceiling, the voluntary expenditure ceiling shall be increased two times the limit specified in Section 85400 for any candidate running for the same statewide office. Any candidate running for that office who originally accepted voluntary expenditure ceilings shall be exempt from the limits that political party committees may contribute to a candidate in Section 85304, and such candidates shall be permitted to continue receiving contributions at the amounts set forth in subdivision (c) of Section 85402.

(d) The Commission shall require candidates and independent committees to provide sufficient notice to the Commission and to all candidates for the same office that they are approaching and exceeding the thresholds set forth in this section.

Regulations: 2 Cal. Code of Regs. Section 18541
2 Cal. Code of Regs. Section 18550

§ 85500. Independent Expenditures.

(a) Any committee which makes independent expenditures of more than one thousand dollars (\$1,000) in support of or in opposition to any candidate shall notify the filing officer and all candidates running for the same seat within 24 hours by facsimile transmission or overnight delivery each time this threshold is met. The Commission shall determine the disclosure requirements for this

subdivision and shall establish guidelines permitting persons to file reports indicating on-going independent expenditures.

(b) Notwithstanding subdivision (d) of Section 85301, any committee that makes independent expenditures of one thousand dollars (\$1,000) or more supporting or opposing a candidate shall not accept any contribution in excess of two hundred fifty dollars (\$250) per election.

(c) Any contributor that makes a contribution of one hundred dollars (\$100) or more per election to a candidate for elective office shall be considered to be acting in concert with that candidate and shall not make independent expenditures and contributions which in combination exceed the amounts set forth in Section 85301 in support of that candidate or in opposition to that candidate's opponent or opponents.

(d) An expenditure shall not be considered independent, and shall be treated as a contribution from the person making the expenditure to the candidate on whose behalf, or for whose benefit, the expenditure is made either:

(1) With the cooperation of, or in consultation with, any candidate or any authorized committee or agent of the candidate.

(2) In concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of the candidate.

(3) Under any arrangement, coordination, or direction with respect to the candidate or the candidate's agent and the person making the expenditure.

(4) By a candidate or officeholder supporting another candidate or officeholder of the same political party running for a seat in the same legislative body of the candidate or officeholder.

For purposes of this section, the person making the expenditure shall include any officer, director, employee, or agent of that person.

Regulations: 2 Cal. Code of Regs. Section 18550

§ 85600. Candidate Access to State Ballot Pamphlet.

The Secretary of State shall provide to all candidates for statewide office, who voluntarily choose to limit their campaign expenditures in accordance with the provisions of this act, a campaign statement in the state ballot pamphlet of 100 words in primary and special elections, and 200 words in general elections, free of charge. Candidates for statewide office not choosing to limit their campaign expenditures in accordance to

provisions of this act may also publish a campaign statement of similar length and format in the state ballot pamphlet, but shall be charged the pro rata cost of printing, handling, translating, and mailing the campaign statement. Such candidate statements shall not include any references to a candidate's opponent or opponents and may include a photograph of the candidate.

§ 85601. Candidate Access to Local Sample Ballot Materials.

(a) The clerk of each county shall provide to candidates for offices of the State Assembly, State Senate, and Board of Equalization, who voluntarily choose to limit their campaign expenditures in accordance with this act, a campaign statement with the county sample ballot materials of 100 words in primary and special elections, and 200 words in general elections, free of charge, the add-on cost of which is to be reimbursed from the state General Fund. Candidates for the offices of State Assembly, State Senate, and Board of Equalization not choosing to limit their campaign expenditures in accordance to this act may also publish a campaign statement of similar length and format with the county sample ballot materials, but shall be charged the pro rata cost of printing, handling, translating, and mailing the campaign statement. Such candidate statements shall not include any references to a candidate's opponent or opponents and may include a photograph of the candidate.

(b) The statements of candidates for State Assembly, State Senate, and Board of Equalization may be included in the state ballot pamphlet instead of with the county sample ballot materials if the Secretary of State determines that inclusion in the state ballot pamphlet is less expensive and more convenient for the voters.

§ 85602. Notification to Voters.

The Secretary of State and local elections officers shall prominently designate on the ballot and in the ballot pamphlet and sample ballot those candidates who have voluntarily agreed to expenditure ceilings. The Commission shall prescribe by regulation the method or methods for such designation.

Regulations: 2 Cal. Code of Regs. Section 18541

§ 85700. Disclosure of Occupation and Employer.

No contribution of one hundred dollars (\$100) or more shall be deposited into a campaign checking

account unless the name, address, occupation, and employer of the contributor is on file in the records of the recipient of the contribution.

§ 85701. Receipt of Laundered Contributions.

Any person who accepts a contribution which is not from the person listed on the check or subsequent campaign disclosure statement shall be liable to pay the state the entire amount of the laundered contribution. The statute of limitations shall not apply to this provision, and repayments to the state shall be made as long as the person or any committee controlled by such a person has any funds sufficient to pay the state.

§ 85702. Bundling of Contributions.

Contributions made directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit shall be treated as contributions from the contributor and the intermediary or conduit to the candidate for the purposes of this limitation unless the intermediary or conduit is one of the following:

(a) The candidate or representative of the candidate receiving contributions on behalf of the candidate. However, the representative shall not include the following persons:

(1) A committee other than the candidate's campaign committee.

(2) An officer, employee, or agent of a committee other than the candidate's campaign committee.

(3) A person registered as a lobbyist with the governmental agency for which the candidate is running or is an officeholder.

(4) An officer, employee, or agent of a corporation or labor organization acting on behalf of the corporation or organization.

(b) A volunteer, who otherwise does not fall under paragraphs (1) through (4) of subdivision (a) of this provision, hosting a fundraising event outside the volunteer's place of business.

§ 85703. Earmarking of Contributions Prohibited.

No person shall make and no person, other than a candidate or the candidate's controlled committee, shall accept any contribution on the condition or with the agreement that it will be contributed to any particular candidate. The expenditure of funds received by a person shall be made at the sole discretion of the recipient person.

§ 85704. Contributions from Lobbyists.

No elected officeholder, candidate, or the candidate's controlled committee may solicit or accept a campaign contribution or contribution to an officeholder account from, through, or arranged by a registered state or local lobbyist if that lobbyist finances, engages, or is authorized to engage in lobbying the governmental agency for which the candidate is seeking election or the governmental agency of the officeholder.

Regulations: 2 Cal. Code of Regs. Section 18626

§ 85705. Contributions from Governmental Appointees.

No person appointed to a public board or Commission or as Trustee of the California State University or Regent of the University of California during tenure in office shall donate to, or solicit or accept any campaign contribution for, any committee controlled by the person who made the appointment to that office or any other entity with the intent that the recipient of the donation be any committee controlled by such person who made the appointment.

§ 85706. Local Jurisdictions.

(a) Nothing in this act shall nullify contribution limitations or other campaign disclosures or prohibitions of any local jurisdiction that are as or more stringent than set forth in this act.

(b) The governing body of a local jurisdiction may impose lower contribution limitations or other campaign disclosures or prohibitions that are as or more stringent than set forth in this act. A local jurisdiction may impose higher contribution or expenditure limitations only by a vote of the people.

(c) Any charter municipality which chooses to establish a voluntary spending limit program involving matching funds, consistent with subdivision (c) of Section 85400, may set a uniform contribution ceiling from any person to any candidate or the candidate's controlled committee of a contribution or contributions totaling no more than five hundred dollars (\$500) for each election in which the candidate is attempting to be on the ballot or is a write-in candidate, provided that the program offers a matching fund ratio of at least one dollar (\$1) to each three matchable private contributions.

§ 85802. Appropriation to the Fair Political Practices Commission.

There is hereby appropriated from the General Fund of the state to the Fair Political Practices

Commission the sum of five hundred thousand dollars (\$500,000) annually above and beyond the appropriations established for the Commission in the fiscal year immediately prior to the effective date of this act, adjusted for cost-of-living changes, for expenditures to support the operations of the Commission pursuant to this act. If any provision of this act is successfully challenged, any attorney's fees and costs shall be paid from the General Fund and the Commission's budget shall not be reduced accordingly.

§ 89519. Surplus Campaign Funds.

Any campaign funds in excess of expenses incurred for the campaign or for expenses specified in subdivision (d) of Section 85305, received by or on behalf of an individual who seeks nomination for election, or election to office, shall be deemed to be surplus campaign funds and shall be distributed within 90 days after withdrawal, defeat, or election to office in the following manner:

(a) No more than ten thousand dollars (\$10,000) may be deposited in the candidate's officeholder account; except such surplus from a campaign fund for the general election shall not be deposited into the officeholder account within 60 days immediately following the election.

(b) Any remaining surplus funds shall be distributed to any political party, returned to contributors on a pro rata basis, or turned over to the General Fund.

Regulations: 2 Cal. Code of Regs. Section 18519.4

§ 91000. Enforcement.

(a) Any person who knowingly or willfully violates any provision of this title is guilty of a misdemeanor.

(b) In addition to other penalties provided by law, a fine of up to the greater of ten thousand dollars (\$10,000) or three times the amount the person failed to report properly or unlawfully contributed, expended, gave or received may be imposed upon conviction for each violation.

(c) Prosecution for violation of this title must be commenced within four years after the date on which the violation occurred.

(d) The Commission has concurrent jurisdiction in enforcing the criminal misdemeanor provisions of this title.

§ 91004. Violation of Reporting Requirement; Civil Liability.

Any person who intentionally or negligently violates any of the reporting requirements of this act, or who aids and abets any person who violates any of the reporting requirements of this act, shall be liable in a civil action brought by the civil prosecutor or by a person residing within the jurisdiction for an amount not more than the amount or value not properly reported.

§ 91005.5. Civil Liability for Violations.

Any person who violates any provision of this title, except Sections 84305, 84307, and 89001, for which no specific civil penalty is provided, shall be liable in a civil action brought by the Commission or the district attorney pursuant to subdivision (b) of Section 91001, or the elected city attorney pursuant to Section 91001.5, for an amount up to five thousand dollars (\$5,000) per violation.

No civil action alleging a violation of this title may be filed against a person pursuant to this section if the criminal prosecutor is maintaining a criminal action against that person pursuant to Section 91000.

The provisions of this section shall be applicable only as to violations occurring after the effective date of this section.

§ 91006. Joint and Several Liability for Violation.

Any person who violates any provision of this title, who purposely or negligently causes any other person to violate any provision of this title, or who aids and abets any other person in the violation of any provision of this title, shall be liable under the provisions of this chapter and Chapter 3 (commencing with Section 83100) of this title. If two or more persons are responsible for any violation, they shall be jointly and severally liable.

